

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL NOTE**

**SB 112 - HB 116**

February 5, 2023

**SUMMARY OF BILL:** Expands the definition of eligible postsecondary institution to include Western Governors University (WGU) as an eligible institution for receipt of the Tennessee HOPE Scholarship for nontraditional students.

**FISCAL IMPACT:**

Due to an incorrect number of WGU students who would qualify for the Tennessee HOPE Scholarship, the estimated fiscal impact issued on February 3, 2023 was in error. The fiscal impact has been corrected as follows:

**(CORRECTED)**

**Increase State Expenditures – \$3,292,100/FY23-24/Lottery for Education Account  
Exceeds \$3,279,300/FY24-25/and Subsequent Years/  
Lottery for Education Account**

**Other Fiscal Impact – Funding of \$3,292,100 in FY23-24 and funding exceeding \$3,279,300 in FY24-25 and subsequent years will not be available for transfer from the Lottery for Education Account to the Tennessee Promise Scholarship Special Reserve Account.**

**Assumptions:**

- Based on information provided by the Tennessee Student Assistance Corporation (TSAC), WGU is estimated to have an average of 643 students annually eligible to receive the Tennessee HOPE Scholarship for nontraditional students.
- The average award amount for the Tennessee HOPE Scholarship for nontraditional students is \$5,100 per year.
- The increase in state expenditures from the Lottery for Education Account is estimated to be \$3,279,300 (\$5,100 average award x 643 eligible students) in FY23-24 for additional HOPE awards.
- The number of eligible students that attend WGU is expected to increase in subsequent years; therefore, the recurring increase in state expenditures from the Lottery for Education Account in FY24-25 and subsequent years is estimated to exceed \$3,279,300.

- TSAC will require an estimated one-time cost of \$12,800 for modifications to the Financial Aid System of Tennessee in order to award the HOPE Scholarship to nontraditional students at WGU.
- The total increase to state expenditures from the Lottery for Education Account is estimated to be \$3,292,100 (\$3,279,300 awards + \$12,800 program cost) in FY23-24.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/lm